GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

STARRED QUESTION NO:138
ANSWERED ON:21.08.2007
ASSISTANCE TO WEAVERS
Reddy Shri Karunakara G.;Yadav Shri Giridhari

Will the Minister of TEXTILES be pleased to state:

(a) whether weavers in some parts of the country are forced to leave their traditional weaving occupation and are migrating to other places for their livelihood;

(b) if so, the details thereof;

(c) the details of financial package proposed/finalised by the Government for handloom /weaving sector; and

(d) the other measures taken/proposed to be taken to assist weavers?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF TEXTILES

(SHRI SHANKERSINH VAGHELA)

(a) to (d) : A statement is laid on the Table of the House.

Statement referred to in reply to part (a) to (d) of the Lok Sabha Starred Question No.138 for 21.08.2007.

(a) No such report has been received from any of the States.

(b) Does not arise.

(c) The salient features of the financial package recommended for the handloom sector by the High Level Committee under the Chairmanship of Managing Director, National Bank for Agriculture and Rural Development (NABARD),which is under consideration of the Government, are as under:-

(i) Restructuring/Categorization of Primary Handloom Weavers Cooperative Societies (PHWCSs) as viable, potentially viable and non-viable units. Broad parameters for categorizing the PWCS have been evolved.

(ii) Cleansing of the balance sheet of Apex and Primary Weavers Cooperative Societies (viable and potentially viable) with adequate fund support from Government.

(iii) Organization of weavers outside the cooperative fold/members of non-viable/defunct PWCSs/ Weavers in areas of weak cooperative structure into Handloom Weavers Group (HWGs) in handloom clusters adopting the concept of Joint Liability Group.

(iv) Waiver of overdue interest and overdue loans of Weavers/ PWCSs/Apex Societies as on 31st March, 2006.

(v) Financing the credit needs of handloom weavers/ societies at 7% rate of interest with interest subvention to NABARD and banks from Government of India.

(vi) Establishment of a "Handloom Development and Equity Fund (HDEF)" in NABARD for providing equity, promotional and development support to agencies connected with the handloom sector. Government of India may provide an initial contribution of Rs.50.00 crore. NABARD may make initial contribution of Rs.10 crores and annual contributions as decided by the Board of Directors. Other banks and State Governments would also be requested to contribute to the fund later.

(vii) Master weavers have to be brought into the system by recognizing their role as catalyst for weavers' development and arrangements to be made to finance them through banks.

(viii) An MOU to be signed by the major stake-holders, viz, Government of India, State Government and NABARD.

(d) The Office of the Development Commissioner for Handlooms, Ministry of Textiles is implementing a number of schemes to provide financial assistance to the eligible handloom agencies to enhance production, productivity and efficiency of the handloom sector and to enhance the income and socio-economic status of the weavers by upgrading their skills and providing infrastructural input and

marketing support. The main developmental schemes implemented during X Plan Period were Deen Dayal Hathkargha Protsahan Yojana (DDHPY), Integrated Handloom Training Project, Marketing Promotion Programme, Mill Gate Price Scheme, Workshed-cum-Housing Scheme, Weavers' Welfare Scheme and Handloom Export Scheme. Besides, Integrated Handloom Cluster Development Scheme (IHCD), Mahatama Gandhi Bunkar Bima Yojna and Health Insurance Scheme were launched in the year 2005-06 and Handloom Mark was launched in the year 2006-07.

During the 11th Five year plan, following schemes are proposed for development of handloom sector:-

(i) Integrated Handloom Development Scheme

(ii) Marketing and Export Promotion Scheme

(iii) Handloom Weavers' Comprehensive Welfare Scheme

(iv) Mill Gate Price Scheme

(v) Diversified Handloom Development Scheme